

AMENDMENT OF LEASE

AGREEMENT, made as of the 29th day of October, 1993, between BATTERY PARK CITY AUTHORITY, a public benefit corporation of the State of New York, having an office at One World Financial Center, New York, NY 10281 ("Landlord") and HUDSON TOWERS HOUSING CO., INC., a New York corporation organized under Article 2 of the Private Housing Finance Law of the State of New York, having an office c/o Stroock & Stroock & Lavan, Seven Hanover Square, New York, NY 10004 ("Tenant").

W I T N E S S E T H :

WHEREAS, by Agreement of Lease dated as of June 3, 1980 (the "Original Lease"), a memorandum of which, being of even date therewith, was recorded in the Office of the City Register, New York County on June 5, 1980 in Reel 526 at Page 769, as modified by an Amendment to Lease dated as of June 10, 1982, between Landlord and Tenant, a memorandum of which was recorded in the Office of the City Register, New York County, on June 14, 1982 in Reel 626 at Page 587, and further modified by an Amendment of Lease dated as of November 20, 1987, between Landlord and Tenant, a memorandum of which was recorded in the Office of the City Register, New York County, on May 11, 1988 in Reel 1400 at Page 1915 (the Original Lease, as so amended, is

hereinafter, collectively referred to as the "Lease"), Landlord did demise and let to Tenant and Tenant did hire and take from Landlord the real property situate, lying and being in the Borough of Manhattan, City, County and State of New York, as more particularly described in "Exhibit A" hereto; and

**WHEREAS**, the parties desire to further amend the Lease.

**NOW, THEREFORE**, for good and valuable consideration, the parties hereto hereby agree that the Lease is amended as follows:

1. Article 1 (Land Rent-Other Rent) of the Lease is hereby amended by adding the following Section 1.7 thereto:

"Section 1.7.A. Tenant, for each Lease Year or portion thereof commencing December 1, 1993 and ending on June 30, 2040 or, if Tenant shall have exercised its right to renew the initial term of this Lease pursuant to Section 17.1, then ending on the expiration date of each Renewal Term, to wit: June 30, 2045, June 30, 2050 or June 17, 2069, as the case may be (each such date being hereinbelow referred to as a "Renewal Term Expiration Date"), shall pay to Landlord an annual stipulated sum, as a supplemental contribution by Tenant which shall be payable in addition to Tenant's Civic Facilities Payment (and without regard to any matter pertaining to the calculation or payment thereof), as required pursuant to Section 1.6 of this Lease (such additional annual stipulated sum being

hereinafter referred to as the "Special Civic Facilities Payment"), as follows:

(i) For each calendar month of the balance of the current Payment Year, i.e., December 1, 1993 to June 30, 1994, the sum of \$25,000, payable monthly in advance, and Landlord hereby acknowledges receipt of the first monthly payment of the Special Civic Facilities Payment due hereunder which is allocated to December, 1993;

(ii) For each succeeding Payment Year commencing July 1, 1994 through and including the Payment Year ending June 30, 2009, a Special Civic Facilities Payment equal to \$300,000 per annum, payable prorata in equal monthly installments in advance;

(iii) For the Payment Year commencing July 1, 2009 and for each succeeding Payment Year thereafter until June 30, 2040 or the Renewal Term Expiration Date, as the case may be, a Special Civic Facilities Payment of \$350,000 per annum, payable prorata in equal monthly installments in advance.

B. Notwithstanding Tenant's agreement and obligation to pay the Special Civic Facilities Payment, Landlord acknowledges that:

(i) The obligation to construct Landlord's Civic Facilities and Landlord's Maintenance Obligations are

solely Landlord's and Tenant assumes no obligation in connection therewith; and

(ii) Tenant assumes no obligation in connection with any improvements designated as "Tenant's Civic Facilities" under any other lease.

C. Notwithstanding any other provision of this Lease, Tenant acknowledges and agrees that the proceeds of Tenant's Special Civic Facilities Payment may be utilized and applied by Landlord in any manner and for any purpose as determined by Landlord, in its sole discretion.

D. Notwithstanding any provision of this Lease to the contrary and notwithstanding that Tenant's Special Civic Facilities Payment is deemed additional rent and not Land Rent, Landlord agrees that, for the purpose of determining a new Land Rent which may be payable by Tenant pursuant to the terms of Section 1.4 of this Lease, Tenant shall be deemed to have paid its annual Special Civic Facilities Payment as a component of Land Rent and be given appropriate credit therefor.

2. Section 2.1(f) of the Lease is hereby amended and restated, as so amended, in its entirety to read as follows:

"Section 2.1.

"(f) "HUD Mortgage" for the purposes of all Sections of this Lease, other than Sections 10.1, 10.4 and 22.5 for the purpose set forth in the last sentence of this paragraph, means collectively and

individually those three (3) loans in the respective original amounts of \$7,957,400, \$11,170,300, and \$87,374,700, insured by the United States Department of Housing and Urban Development ("HUD") and secured by three (3) mortgages on this Lease and the leasehold estate hereby created, which mortgages mature on June 1, 2023, and any other loan secured by a mortgage on this Lease and the leasehold estate hereby created which is insured by the United States Department of Housing and Urban Development and initially delivered to Landlord, as Mortgagee thereunder. "HUD Mortgage" for the purpose of determining the Final Endorsement Date as utilized or required in Sections 1.1.B, 10.1, 10.4 and 22.5 shall mean that loan in the original amount of \$87,374,700 which was insured by HUD and which had been made the subject of Final Endorsement on August 7, 1984."

3. Section 14.2 of the Lease is hereby amended as follows:

- (a) The period (".") at the end of the first full sentence thereof is hereby changed to a semi-colon (";");
- (b) The following text is hereby added to said first sentence:

"; and provided, further, that for so long as Landlord shall be Battery Park City Authority, no loan secured by a mortgage on this lease and the leasehold estate hereby created shall be funded from the proceeds of tax-exempt bonds or other tax-exempt indebtedness issued other than by Battery Park City Authority."

4. The third and fourth sentences of Section 20.1 of the Lease regarding the sending of notices, are hereby deleted and the following shall be substituted in their places:

"A copy of any notice given or made hereunder to Tenant shall also be given or made in the manner herein specified to Richard S. Lefrak, Esq. 97-77 Queens Boulevard, Rego Park, New York 11374, and to Richard S. Lane, Esq., c/o The Olnick Organization, 600 Madison Avenue, New York, New York 10022, and a further copy of any such notice

shall also be given or made in the manner herein specified to Stroock & Stroock & Lavan, 7 Hanover Square, New York, New York 10004, Attention: Stanley B. Blumberg, Esq. A copy of any notice given or made hereunder to Landlord shall also be given or made in the manner herein specified to General Counsel, Battery Park City Authority, 1 World Financial Center, New York, N.Y. 10281.

5. Landlord hereby acknowledges that Tenant has heretofore paid to Landlord in accordance with the provisions of the Lease, and Landlord has duly received: (i) additional rent payments totalling \$2,000,000.00, which were payable pursuant to Section 1.1.B of the Lease, (ii) the annual installments of Existing Improvements Cost, totalling \$4,250,000, which were payable pursuant to Section 22.5(a) (b) (c) and (d) of the Lease, and (iii) the first nine (9) annual installments of Existing Improvements Cost, each in the amount of \$126,311.94, inclusive of interest which accrued thereon, payable pursuant to Section 22.5(e) of the Lease. Tenant acknowledges, and Landlord confirms, that only the tenth (10th) and final annual installment of \$126,311.94, including interest accrued thereon, remains payable pursuant to Section 22.5(e) of the Lease and that such payment is due on August 7, 1994.
6. As further amended by this Agreement, all of the terms, covenants and conditions of the Lease are hereby ratified and confirmed and shall continue to be

and remain in full force and effect throughout the remainder of the term thereof.

7. Landlord and Tenant acknowledge that they have executed and delivered a memorandum of this Amendment of Lease, dated as of the date hereof, and that either Landlord or Tenant may record the same.
8. Landlord and Tenant each represents and confirms to the other that it has taken all actions, held all proceedings and obtained all consents, required by statute or contract, to which it is subject or bound, as the case may be, with respect to this Amendment of Lease and that it is fully authorized and empowered to execute and deliver this Amendment of Lease and perform hereunder.
9. The terms, provisions and agreements contained herein shall be binding upon and inure to the benefit of Landlord and Tenant, their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first written above.

BATTERY PARK CITY AUTHORITY

By: \_\_\_\_\_

*D. I. Z.*

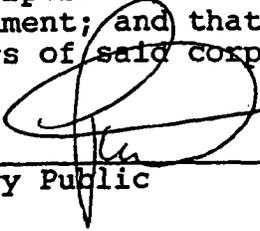
HUDSON TOWERS HOUSING CO., INC.

By: \_\_\_\_\_

*Paul J. Humberg*  
Asst. V. P.

STATE OF NEW YORK )  
 )ss.:  
COUNTY OF NEW YORK )

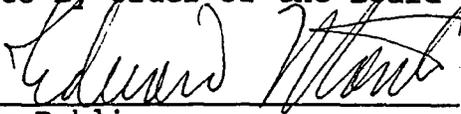
On the 29th day of October, 1993, before me personally came David Emil, to me known, who, being by me duly sworn, did depose and say that he resides at 67 Riverside Drive, New York, New York; that he is the President of Battery Park City Authority, the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the members of said corporation.

  
\_\_\_\_\_  
Notary Public

PAUL C. MATTHES  
Notary Public, State of New York  
No. 30-4744919  
Qualified in Nassau County  
Commission Expires AVG 30, 1995

STATE OF NEW YORK )  
 )ss.:  
COUNTY OF NEW YORK )

On the 29th day of October, 1993, before me personally came Stanley B. Blumberg, to me known, who, being by me duly sworn, did depose and say that he resides at 975 Park Avenue, New York, New York; that he is the Assistant Vice President of Hudson Towers Housing Co., Inc., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

  
\_\_\_\_\_  
Notary Public

EDWARD MONTI  
NOTARY PUBLIC, State of New York  
No. 24-4950821  
Qualified in Kings County  
Commission Expires May 8, 1995